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LB 58

work? This...

SENATOR COORDSEN: This still, even in this situation, is a...a...in a way it's a "trust me" type of amendment. But it's a little more than that, Senator, because we all recognize that insurance companies that are chartered in a state are totally responsible to that state, including the...the Department of Insurance, which oversees them. And this language calls the Department of Insurance's attention, particularly to those cases...those losses in which a structure has been lost and not all of the content value was paid out. An example would be a \$100,000 house and a \$50,000 content, and there was only \$30,000 paid, the...this provides the yellow warning light for the department to say, we're going to come and take a look at your books, and why wasn't this claim settled in what one reasonable person would expected to have been...to...it to have been settled from. And that's what the intent of this language, as it exists, put it in one of the prohibited practices, you can't do it, and to alert the...the Department of Insurance on all of those cases where there is a...a discrepancy, I suppose, between the amount of coverage and the amount paid out for property when the structure was totally lost.

SENATOR SCHIMEK: If the structure was totally lost, how would the insurance company be able to prove that it wasn't a \$50,000 loss? Is this...is this weighted in the customer's advantage?

SENATOR COORDSEN: Well, I wouldn't think so. You wouldn't think that I'd be in favor of doing anything,...

SENATOR SCHIMEK: (Laugh)

SENATOR COORDSEN: ...that would afford to the average homeowner an advantage over an insurance company.

SENATOR SCHIMEK: Okay.

SENATOR COORDSEN: I don't believe so.

SENATOR SCHIMEK: Let me put this another way then, Senator. Is there any procedure...I think you mentioned that the insurance